



Nomination Committee – Terms of Reference

1. Introduction

- 1.1** The Nomination Committee (hereinafter the “**Committee**”) of Liontrust Asset Management Plc (the “**Company**”) is established by the Board of directors of the Company (the “**Board**”) as a committee of the Board with the authority, powers and duties set out in these Terms of Reference. Amendment to these Terms of Reference requires the approval of the Board.
- 1.2** The Committee is responsible for reviewing the structure, size and composition of the Board including that of the Board’s sub-committees, identifying new candidates for the Board and succession planning. The Committee recognises that appointments to the Board should be subject to a formal, rigorous and transparent procedure and an effective succession plan should be maintained for the Board and senior management. The Committee will lead the process for appointments, ensure plans are in place for orderly succession to both the Board and subcommittee positions, and oversee the development of a diverse pipeline for succession.

2. Membership and Attendance

- 2.1** Members of the Committee shall be appointed by the Board and shall be comprised of least 3 members, the majority of whom shall be independent non-executive directors. Committee members shall have a broad range of skills, experience and knowledge. Membership of the Committee will be regularly refreshed, and the Committee acknowledges that all non-executive directors should have sufficient time to meet their Board responsibilities alongside that of the Committee.
- 2.2** Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer (if not a member of the Committee), the Chief Operating Officer / Chief Financial Officer, the Chief Risk Officer, the Chief Compliance Officer and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.
- 2.3** Appointments to the Committee shall be made by the Board on the recommendation of the Committee and shall be for a period of up to three years, which may be extended for further three-year periods provided that the majority of the Committee members remain independent.
- 2.4** The Board shall appoint the Committee Chair who should be either the Chair of the Board or an independent non-executive director. In the absence of the Committee Chair and / or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting. The Chair of the Board shall not chair the Committee when it is dealing with the matter of Chair succession.
- 2.5** Meetings of the Committee may be conducted when the members are physically present or in the form of either video or audio conferences, provided that all members participating in the meeting are able to speak to and hear each other.



3. Secretary

- 3.1** The Company Secretary or their nominee shall act as the secretary of the Committee (the “**Secretary**”). The Secretary will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

4. Quorum

- 4.1** The quorum necessary for the transaction of business shall be 2 members, both of whom must be independent non-executive directors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5. Frequency of meetings

- 5.1** The Committee shall meet at least twice a year and at such other times as the Chair of the Committee shall require.

6. Notice of meetings

- 6.1** Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chair of the Committee.
- 6.2** Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than 5 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

7. Minutes of Meetings

- 7.1** The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 7.2** The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 7.3** Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chair of the Board and once agreed, the minutes shall be circulated to all other members of the Board, unless a conflict of interest exists.

8. Annual General Meeting and Engagement with shareholders

- 8.1** The Chair of the Committee (or in his absence, another member of the Committee) shall attend the Annual General Meeting and be prepared to respond to any shareholder questions on the Committee’s activities. In addition, the Committee Chair should seek engagement with shareholders, where possible and appropriate on significant matters related to the Committee’s areas of responsibility.



9. Duties of the Committee

9.1 The Committee shall:

- a) regularly review the structure, size and composition (including the balance of skills, knowledge, diversity representation, independence and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
- b) consider the benefits of all aspects of diversity in order to enable the Board to discharge its duties and responsibilities effectively and in identifying suitable candidates for appointment to the Board, consider and assess diversity and inclusion initiatives;
- c) ensure plans are in place for orderly succession for Board and senior management positions and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the company, and what skills, diversity and expertise are therefore needed on the Board in the future;
- d) keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
- e) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- f) before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment and the time commitment expected. In identifying suitable candidates, the Committee shall:
 - i) use the services of external advisors or search consultancy to facilitate the search and assist the external advisors by providing a description of the role and capabilities required for a particular appointment;
 - ii) consider candidates from a wide range of backgrounds;
 - iii) consider candidates on merit and against objective criteria, having due regard to the benefits of diversity on the Board and taking care that appointees have enough time available to devote to the position;
- g) prior to the appointment of a director, other significant time commitments should be disclosed, and any additional future commitments should not be undertaken without prior approval of the Board. The proposed appointee should also be required to disclose any other business interests that may result in a conflict of interest. These must be authorised by the Board prior to appointment;
- h) keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates;



- i) review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending sufficient time to fulfil their duties;
- j) ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
- k) work and liaise as necessary with other Board committees, ensuring the interaction between committees and with the Board is reviewed regularly;
- l) approve and annually review the policy on diversity and inclusion, its objectives and linkage to company strategy and its implementation and progression;
- m) review the membership of the Audit & Risk and Remuneration Committees, in consultation with the Chair of those committees;
- n) consider and if thought appropriate recommend to the Board the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to:
 - i) their performance and ability to continue to contribute to the Board,
 - ii) the long-term sustainable success of the Company,
 - iii) their knowledge, skills and experience required for the role;
 - iv) the need for progressive refreshing of the members of the Board,
 - v) the length of service of individual directors, the Chair and the Board as a whole.
- o) undertake annually a review of the Board's performance, review the results of the evaluation and oversee implementation of any necessary actions;
- p) consider any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company, subject to the provisions of the law and their service contract;
- q) approve the appointment of any director to executive or other office; and
- r) review and consider matters related to employee engagement, talent management and the training and development of the staff in the Group.

10. Reporting Responsibilities

10.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and actions to be taken.

10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for Board discussion when necessary.



10.3 The Committee shall prepare a report to be included in the Company's annual report describing the work of the Committee, including:

- a) the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline;
- b) how Board evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and individual directors, the outcomes and actions taken, and how it has influenced or will influence Board composition;
- c) the policy on diversity and inclusion, its objectives and linkage to Company strategy, how it has been implemented and progress on achieving the objectives;
- d) the gender balance of those in the senior management team and their direct reports; and
- e) If an external search consultancy and advisors have been engaged, it should be identified in the annual report alongside a statement about any other connection it has with the Company or individual directors.

11. Other Matters

11.1 The Committee shall:

- a) have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required;
- b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- c) give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and any other related guidance, the requirements of the UK Listing Authority's Listing Rules and any other applicable rules, as appropriate.
- d) oversee any investigation of activities which are within its terms of reference and act as a court of the last resort;
- e) at least annually, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval; and
- f) consider such other matters as the Board may from time-to-time refer to it.

12. Authorised

12.1 The Committee is authorised:

- a) to seek any information, it requires from any employee of the Company or member of a Group LLP in order to perform its duties;



- b) to obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference; and
- c) to call any employee or partner to be questioned at a meeting of the Committee as and when required.

Liontrust Asset Management Plc

Review Date: June 2023

Next Review: June 2024